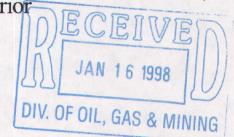




United States Department of the Interior

BUREAU OF LAND MANAGEMENT CEDAR CITY DISTRICT DIXIE RESOURCE AREA 345 E. Riverside Drive, Suite 102 St. George, Utah 84770



IN REPLY REFER TO: 3809

UTU-68571 UTU-68868 (UT-045)

January 14, 1998

1-14-98

Certified Mail # P 107 148 216 - Return Receipt Requested

Watt Webb III Desert Sandscapes 860 E. 19th Street Tucson, AZ 85719

Dear Mr. Webb:

This will acknowledge receipt of your Notice to continue mining on the Picture Stone and Black Ridge mining claims. The BLM case file for the Picture Stone Notice is UTU-68571 and the Black Ridge Notice is UTU-68868.

I would appreciate an opportunity to meet with you in the field next time you are in St. George. This will give us an opportunity to review the ongoing operations, and make sure you are aware of the current mining regulations.

A copy of the information provided in the Notice has been forwarded to the Utah Division of Oil, Gas, and Mining (UDOGM). Therefore, you are not required to submit an application to UDOGM; however, reclamation of the work done under this Notice is required to comply with the Utah Mined Land Reclamation Act.

Acceptance of this Notice will not now, or in the future, serve as a determination of the validity of any mining claim to which it may relate.

If you have any questions, please contact me at this office at 435/688-3205.

Sincerely,

Larry Gore Acting Area Manager